Ceined by OCP: 8/19/2021 8:43:10 AM Office	State of New Mexico	Form E-103 of 1
District I – (575) 393-6161 En 1625 N. French Dr., Hobbs, NM 88240	ergy, Minerals and Natural Resource	Revised July 18, 2013 WELL API NO.
District II - (575) 748-1283 811 S. First St., Artesia, NM 88210	IL CONSERVATION DIVISION	30-025-24517
District III – (505) 334-6178	1220 South St. Francis Dr.	5. Indicate Type of Lease STATE X FEE
1000 Rio Brazos Rd., Aztec, NM 87410 District IV – (505) 476-3460	Santa Fe, NM 87505	6. State Oil & Gas Lease No.
1220 S. St. Francis Dr., Santa Fe, NM	,	
87505 SUNDRY NOTICES AN	ID REPORTS ON WELLS	L-3881 7. Lease Name or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPOSALS TO DIFFERENT RESERVOIR. USE "APPLICATION F	STATE 35	
PROPOSALS.) 1. Type of Well: Oil Well Gas Well X Other		8. Well Number ₁
2. Name of Operator		9. OGRID Number
MEWBOURNE OIL C	14744	
3. Address of Operator	10. Pool name or Wildcat	
PO BOX 5270; HOBB	ANTELOPE RIDGE MORROW	
4. Well Location Unit Letter K : 1750	s as a solith is	1 1080
	feet from the SOUTH line and	
Section 35	Township 23S Range 34E evation (Show whether DR, RKB, RT, GR	NMPM County LEA
	462	, etc.)
TEMPORARILY ABANDON	OTHER: erations. (Clearly state all pertinent detail E RULE 19.15.7.14 NMAC. For Multiplon. ermission to permanently abandon the sub	E DRILLING OPNS. P AND A
	SEE ATTACH OF APPROVA	HED CONDITIONS AL
Spud Date:	Rig Release Date:	
I hereby certify that the information above is	true and complete to the best of my know	vledge and belief.
SIGNATURE Klay H Kirkes	TITLE Engineer	DATE 8/19/21
Type or print name Klay H Kirkes For State Use Only	E-mail address: <u>kkirkes@m</u>	
APPROVED BY: A Portion of Approval (if any):	TITLE Compliance Office	per ADATE10/28/21

Merribourne Oil Company

ABANDONMENT PROCEDURE

Tbg: 2 1/8" unknown

Submitted By: K. Kirkes

Wellname: State 35 #1

Location: 1750' FSL & 1980' FWL

Sec 35, T23S, R34E

Lea Co, NM

Date: 7/8/21

Csg Set: 11890' (DV tool @ 7983') **Surf Csg:** 16" 65# H40

Csg Size: 7 %" 26#,29# N80 & S95 **Set @**: 364'

5 1/2" 26# N80 X-line from 11481'

Liner: __ 13860'

10 ³⁄₄" 40.5#, 45.5# N80 & K55

Inter Csg: (DV tool @ 3986') Pkr set @: 12920' (unknown type)

Set @: 5192' **Perfs:** 13305' – 13535'

Procedure:

- 1) MIRU BCM turnkey plugging crew.
- 2) ND WH, NU BOP.
- 3) Attempt to release pkr & POOH w/tbg.
 - a. There are some indications of possible stuck pipe from previous operator's well files. If pipe is stuck, MIRU WL & run free point @ CCL.
- Run CBL from CIBP to surface, noting DV tool.
- 5) RIH w/tbg & set CIBP @ 13225' (top perf @ 13305', top Morrow @ 13048'.)
- 6) Circulate 500 bbls 9.0# MLF
- 7) Spot 40 sks Class H neat cmt (380' ±) on top of CIBP.
- 8) WOC 4 hrs & tag plug @ 12998' or higher.
- 9) LD pipe to 11940' (7 %" csg shoe @ 11890').

P&S 50 sx(0)S sks Class H neat cmt (235' ±).

- 11)WOC 4 hrs & tag plug @ 11840' or higher.
- 12)LD pipe to 11531' (5 ½" LT @ 11481').
- 13) Spot 25 sks Class H neat cmt (150' ±).
- 14)WOC 4 hrs & tag plug @ 11431' or higher. 15)LD pipe to 10847' (Top WFCP @ 10797').
- 16) Spot 35 sks Class H neat cmt (150' ±).
- 17)WOC 4 hrs & tag plug @ 10747' or higher.
- 18)LD pipe to 8787' (Top BSPG @ 8737').
- 19) Spot 35 sks Class H neat cmt (150' ±).
- 20)WOC 4 hrs & tag plug @ 8687' or higher.
- 21)LD pipe to 8033' (DV tool @ 7983').
- 22) Spot 35 sks Class H neat cmt (150' ±).
- 23)WOC 4 hrs & tag plug @ 7933' or higher.
 - a. If CBL indicates TOC on 7 %" csg above intermediate casing shoe @ 5192', proceed to step 24. If TOC is below casing shoe, need to set one more cement plug across TOC. If TOC is above intermediate casing shoe, need to set plug across TOC at whatever depth it is found.
- 24)POOH w/tbg
- 25)RIH w/WL & perforate @ 5242' (10 3/4" shoe @ 5192').
- 26) Attempt to squeeze formation under shoe to 500#.
- 27)RIH w/tbg to 5242' (10 3/4" csg shoe @ 5192' & top Delaware @ 5165').
- 28) Spot 40 sks Class C neat cmt (150' ±).
- 29)WOC 4 hrs & tag plug @ 5115' or higher.
- 30)POOH to 4045' (Top salt 3995' & intermediate string DV tool @ 3986').
- 31)Spot 35 sks Class C neat (175' ±).
- 32)WOC 4 hrs & tag plug @ 3936' or higher.
- 33)POOH to 1000' (max 3000' between plugs.
 - **a.** If this is above TOC, need to perforate & squeeze. If not, proceed.
- 34)Spot 35 sks Class C neat (175' ±).
- 35)WOC 4 hrs & tag.
- 36)POOH to 415' (Surface csg shoe @ 364').

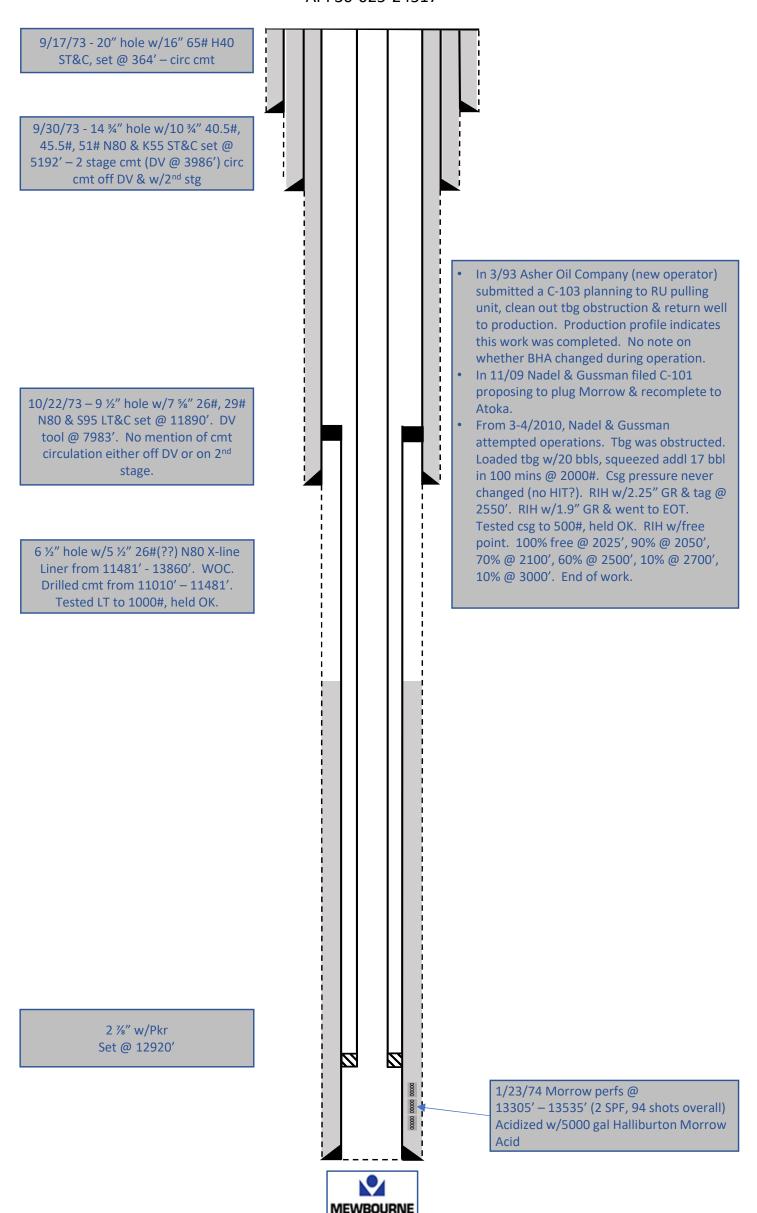
State 35 #1

Merribourne Oil Comparing

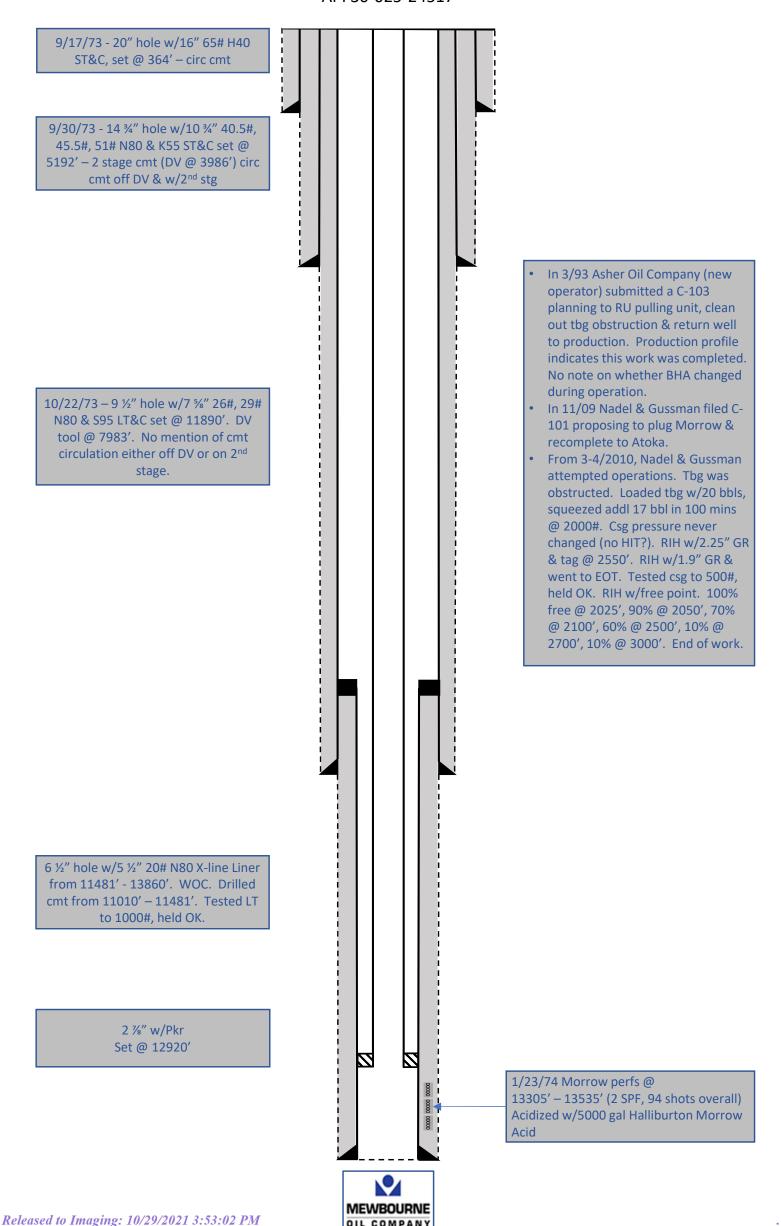
ABANDONMENT PROCEDURE

- P&S 37)Either perforate & squeeze or spot 35 sks Class C neat cmt depending on TOC. 38)WOC 4 hrs & tag @ 314' or higher.
- P&S 39)Depending on CBL and TOC on production casing, either perforate @ 200' & circulate cmt up annulus to surface, or spot from 200' to surface through tbg. 40)Top fill & make sure hole remains full.
 - 41) Cut off WH & install dry hole marker.

1750' FSL & 1980' FWL, Sec. 35 - T23S – R34E - Lea Co, NM API 30-025-24517

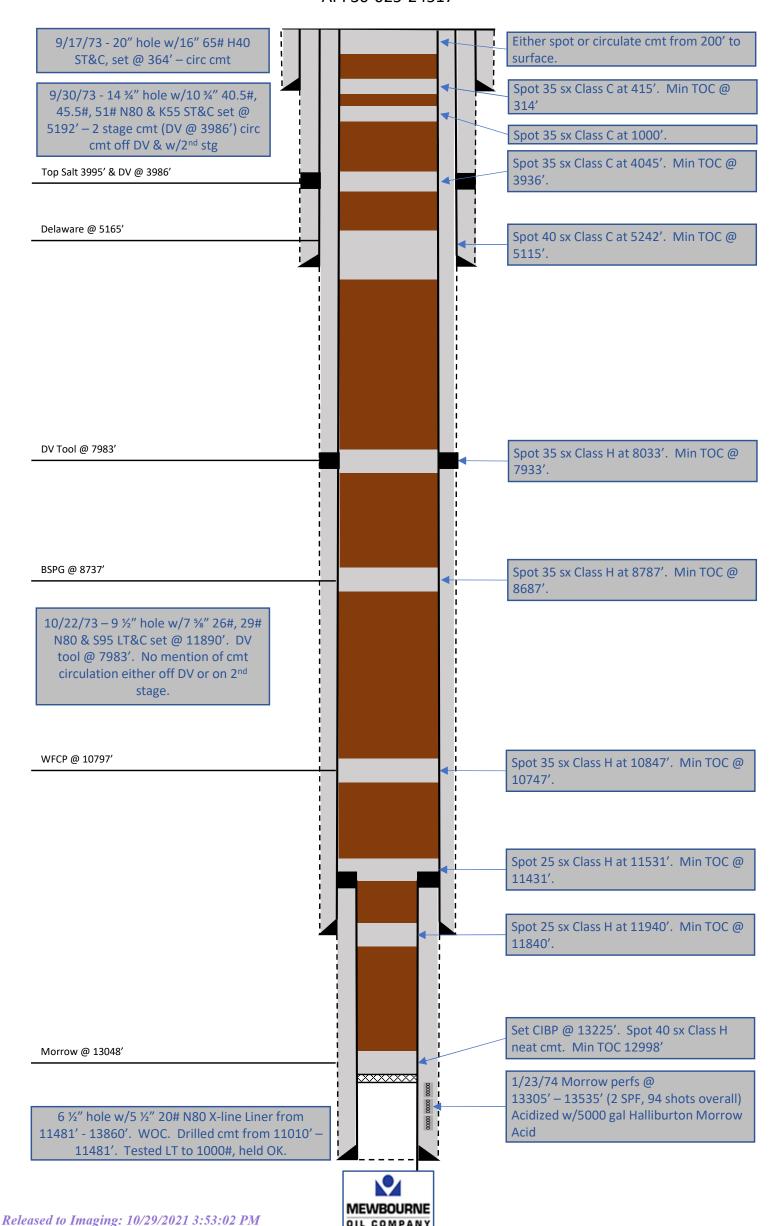


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State 35 #001 Final WBS

1750' FSL & 1980' FWL, Sec. 35 - T23S - R34E - Lea Co, NM API 30-025-24517



CONDITIONS OF APPROVAL FOR PLUGGING AND ABANDONMENT OCD - Southern District

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, Notify NMOCD District Office I (Hobbs) at (575)-263-6633 at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down.

Company representative will be on location during plugging procedures.

- **1.** A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
- **2.** Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
- **3.** Trucking companies being used to haul oilfield waste fluids to a disposal commercial or private- shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
- 4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
- **5.** A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can +be released.
- **6.** If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
- 7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
- **8.** Produced water will not be used during any part of the plugging operation.
- 9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
- **10.** All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
- 11. Class 'C' cement will be used above 7500 feet.
- 12. Class 'H' cement will be used below 7500 feet.
- **13.** A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
- **14.** All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing.
- **16.** When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
- 17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
- **18.** A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).

- 19. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.
- 20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops
- A) Fusselman
- B) Devonian
- C) Morrow
- D) Wolfcamp
- E) Bone Springs
- F) Delaware
- G) Any salt sections
- H) Abo
- I) Glorieta
- J) Yates.
- K) Potash---(In the R-111-P Area (Potash Mine Area),

A solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.

21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing.

DRY HOLE MARKER REQ.UIRMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

- 1. Operator name
- 2. Lease and Well Number
- 3. API Number
- 4. Unit letter
- 5. Quarter Section (feet from the North, South, East or West)
- 6. Section, Township and Range
- 7. Plugging Date
- 8. County

SPECIAL CASES ----AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION

Merribourne Oil Company

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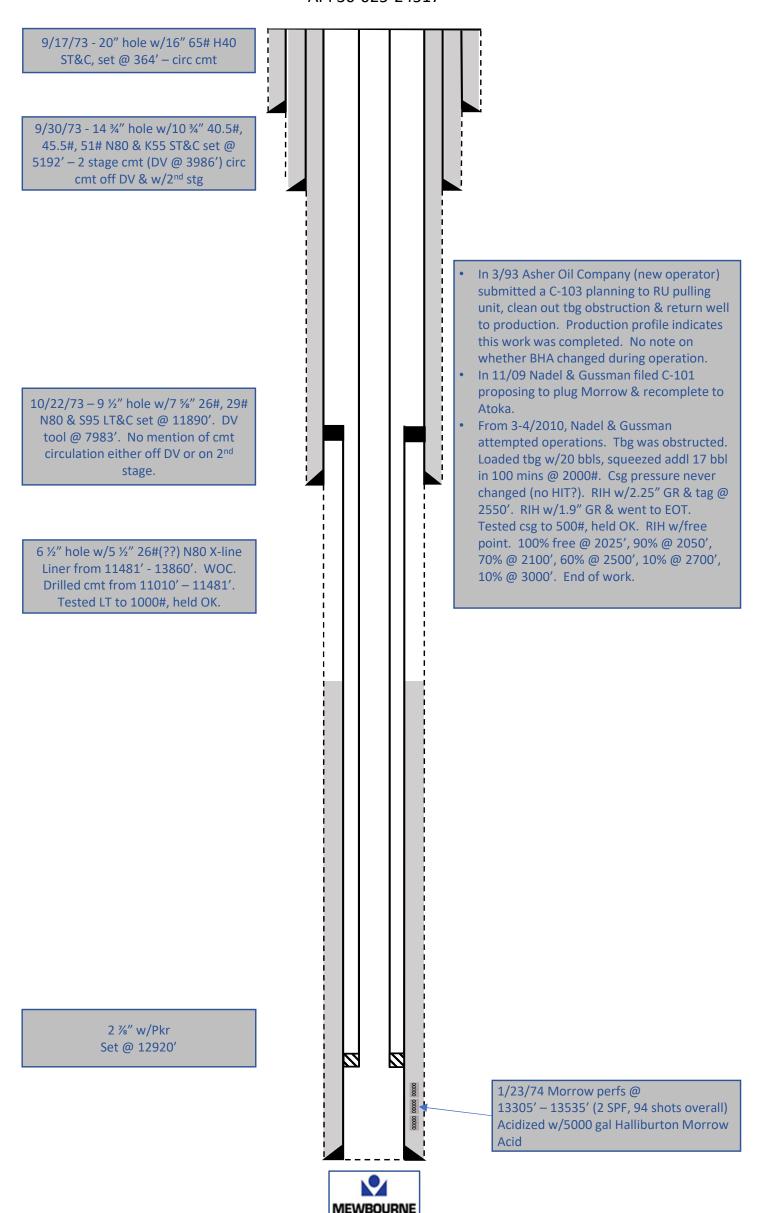
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Merribousine Oil Comparis

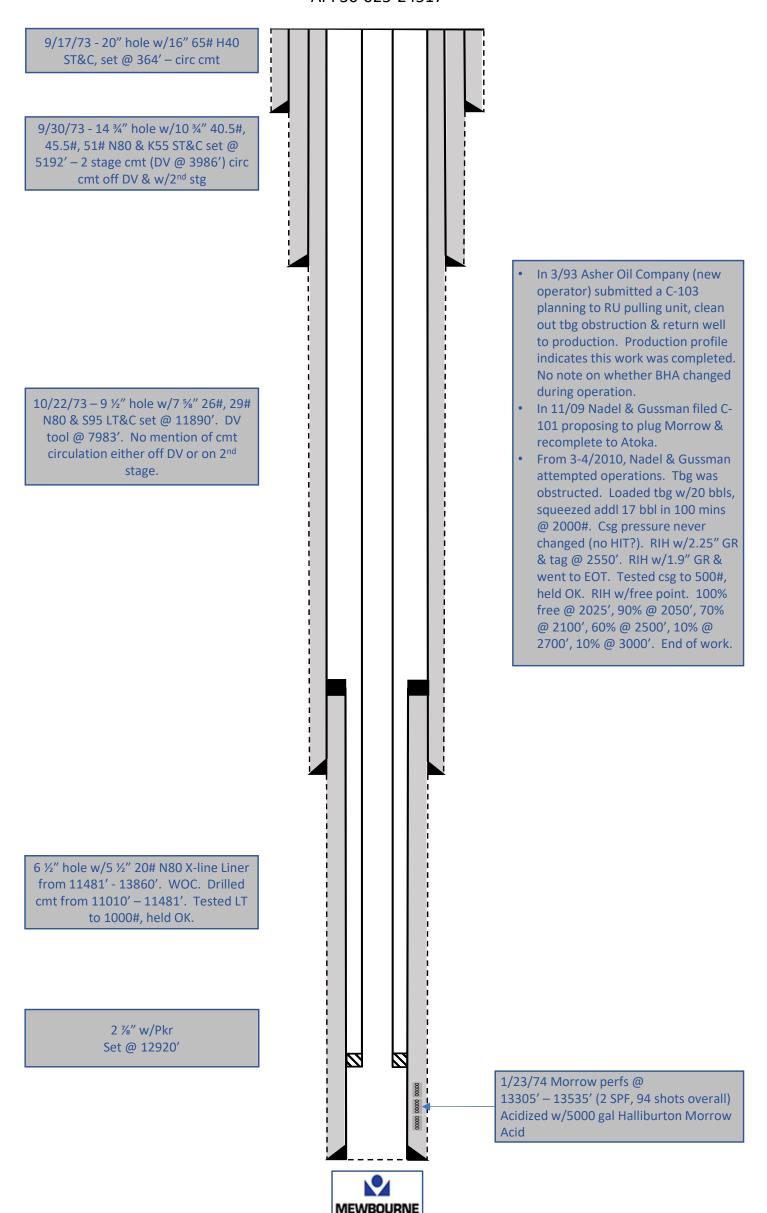
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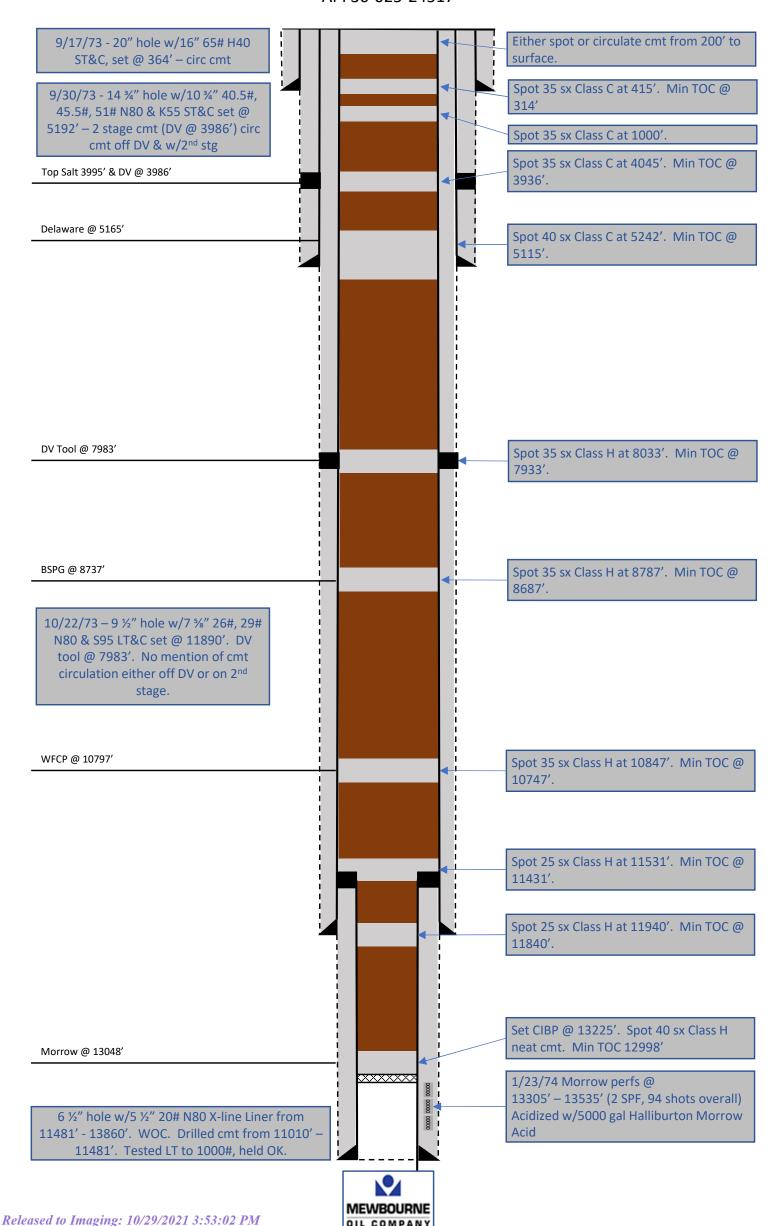


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State 35 #001 Final WBS

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District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 43171

CONDITIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	43171
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kfortner	See attached conditions of approval Note changes to procedure	10/28/2021